

CHAPTER VIII

CIVIL RIGHTS

Introduction:

State of Missouri CDBG program grantees and those firms contracted by the grantees to be paid with CDBG funds will certify compliance with a broad range of State and Federal regulations relating to Civil Rights and Equal Opportunity. The certifications are contained in the "Statement of Assurances" which are part of the funding approval/grant agreement between DED and the grantee. Civil rights, labor, environmental, and other compliance certifications and provisions are also contained in DED's model construction and professional services contracts for a grantee to use with its contractors and sub grantees.

These statutes and regulations are intended to protect the rights of all persons, and to prohibit discrimination against persons on the basis of race, national origin, color, religion, sex, age (only for employment discrimination), disability, or familial status. In 2012, HUD issued a rule to provide equal access to HUD programs for LGBT individuals. Building on that rule, on September 21, 2016 HUD issued a final rule, "Equal Access in Accordance with an Individual's Gender Identity in Community Planning and Development Programs Rule". In 2000, the President issued Executive Order 13166 to provide for improved access to CDBG programs for individuals with limited English proficiency. The Missouri Department of Economic Development is committed to the CDBG Program's civil rights objectives of fair housing, equal opportunity, and non-discrimination. Each project is monitored for compliance with the HUD/CDBG civil rights requirements. Under state law, fair housing and employment rights are protected from discrimination under Chapter 213 of the Missouri Revised Statutes.

A list and brief description of the civil rights laws applicable to the CDBG program is provided at the end of this chapter. The various civil rights laws, regulations, and executive orders apply to several areas of a CDBG project, as explained in each of the following sections listed below:

- Section 1: Fair Housing + Analysis of Impediments (AI) to Fair Housing Choice
- Section 2: Contracting Opportunities – MBE/WBE/DBE/Section 3 Procurement
- Section 3: Section 3 Requirements and Project Contract Reporting – CSAR Report & Section 3 Report
- Section 4: Employment Opportunities
- Section 5: LGBTQ Equal Access Rule
- Section 6: Limited English Proficiency (LEP) Compliance
- Section 7: Section 504 Program Accessibility/Disability Compliance

SECTION 1: FAIR HOUSING

Fair Housing has traditionally been a strong focus for civil rights efforts in the United States and continues to represent a key objective for both HUD and the Missouri CDBG program. CDBG grant recipients are required to adopt a fair housing ordinance. Fair Housing compliance also requires DED's grantees to take two annual official actions. One official action a grantee must take is to affirmatively further fair housing. Here, a grantee actions are to educate and inform its citizens and fair housing stake holders about the state and federal fair housing laws. The second official action is to address identified impediments to fair housing choice. All grantees must complete and document these two types of Fair Housing actions during each 12-month period that your CDBG grant project is open. DED provides suggested official actions in this section and on DED's website. Grantees must provide DED staff with documentation of its annual actions at the monitoring visits. Below, we further explain the difference between the two types of official Fair Housing actions.

A. Grantee's Annual Official Action to Address Impediments to Fair Housing Choice

Fair Housing choice means that all persons have the same access to their choice of housing in America regardless of race, color, national origin, religion, sex, disability, or familial status. An impediment to Fair Housing choice is a barrier or something that prevents a person from exercising that right or choice of housing. In 1997, the Missouri CDBG program contracted with a private consultant to perform an Analysis of Impediments (AI) study to assess the existence of impediments to fair housing choice in the State of Missouri. An update of that AI study was done by DED in 2014.

The findings from the 2014 update to the state's 1997 AI Study showed that the identified impediments to fair housing choice vary, but exist around the state in each of the following 6 categories:

1. Affordable Housing Shortage: A shortage of decent, safe, and sanitary housing that is affordable for LMI individuals and families exist.
 - The "Not In My Backyard" (NIMBY) attitude continues to persist as an impediment to the development & construction of affordable housing.
 - Lengthy waiting lists for public housing units and Section 8 vouchers and certificates persist with both local housing authorities and Section 8 contract providers.
2. A shortage of fully accessible, affordable housing for the disabled
 - Need for the promotion and construction of more universal design housing units, which are accessible by design.
 - Fair Housing Act only requires that 5% of newly constructed units be fully accessible, when the market demand may be higher.
 - Landlords of existing rental units are not always supportive of complying with "reasonable accommodation modification" request from disabled tenants; nor are the "reasonable accommodation" laws fully understood by both landlords and tenants.
3. Protected Class Status Discrimination: Familial Status and Disability received the most comments.
 - Familial Status, e.g., unwed couples, female heads of household, and, families with three or more children found their status to be an impediment to having their lease applications approved.
 - Other protected classes that were reported in the study were: familial status, race, national origin, and sex that experienced some form of discrimination. Unreported in the updated study was discrimination based on "religion" and "ancestry."
 - Pretext: Use of pretext reasons to deny one their housing choice with rental applications, such as, poor credit history, prior eviction, criminal conviction or behavior, etc.
4. Income Variable:
 - Landlords unwilling to rent to families receiving Section 8 or other public assistance.
 - Source of income and past consumer credit problems used to deny mortgage loan applications and rental applications.
 - Economically Rent Burden – rent and utilities exceeds 30% of household's monthly income, which exceeds both HUD's and Rural Development's affordability standards.
5. Local Ordinances, Regulations, and Policies that cause Disparate Impact.
 - Inflexible Section 8 and Public Housing regulations
 - Cumbersome paperwork requirements for state and Federal housing programs
 - Overly restrictive local zoning and occupancy permit practices that impede affordable housing from being constructed or impede gaining an occupancy permit.
6. Lack of knowledge/education about fair housing choice.
 - Limited knowledge of individual rights under fair housing laws
 - A majority of the persons surveyed did not know how to properly file a State or Federal fair housing complaint.

Grantees must take an official action to address one of the above identified impediments during each 12-month period that your project is open. The CDBG program will continue to provide technical assistance, including a list of official actions, brochures, and documents on our website from which grantees may select an action to implement.

Please Note: In order to achieve compliance, a grantee must complete an official action to address or to minimize one of the above identified impediments each year their project is open. For Example: To address impediment #1 above, a grantee may work with an affordable housing developer (non-for profit or for-profit) to apply for an affordable housing project under one of the following programs: MHDC LIHTC housing project; USDA RD 515 rental housing for seniors or multi-family units; or promote financial counseling and down payment assistance programs for LMI families.

Document each action that is taken by a grantee to address a fair housing impediment identified in the statewide study. A grantee may distribute and post flyers at city hall or county courthouse, post informational notices, make available informational brochures about services to address identified impediments, post online notices of workshops or forums to educate the public or a sector of the public about how to address a specific impediment(s). For example, a grantee may schedule an educational forum with realtors, landlords, bankers, or citizen organizations and invite a fair housing speaker from the Missouri Commission on Human Rights or HUD. Maintain documentation of all official actions taken by a grantee in the project file.

For additional resource information to address impediments or to affirmatively further fair housing go to: Metropolitan St. Louis Equal Housing and Opportunity Council, <http://ehocstl.org>

B. Grantee's Annual Official Action to "Affirmatively Further Fair Housing"

Title I, Sec. 104(b) (2) of the Housing and Community Development Act of 1974, as amended, requires that recipients of HUD funds, including states and their grantees, to affirmatively further fair housing. This typically takes the form of promoting and publicizing information about the Fair Housing laws to the citizens of your jurisdiction. This may be accomplished by providing forums, literature, and posters to inform and to educate your citizens and stakeholder businesses about the fair housing rights and laws.

Below are examples of annual official actions for a grantee to select and implement. Adoption of a Fair Housing Ordinance is a program requirement; therefore, something in addition to adopting an ordinance should be done as an annual fair housing furtherance action.

Suggested Fair Housing Furtherance Actions:

Provide Fair Housing Educational Materials: Develop and display informational materials to promote local awareness of fair housing laws and guidelines, such as, fair housing pamphlets, fair housing logo or link on official website, fair housing policy statements, etc. Access flyers, pamphlets, PSAs, and other resources from the Missouri Human Rights Commission's website at: <https://labor.mo.gov/discrimination> and from the National Fair Housing Alliance at: <https://nationalfairhousing.org>

1. Develop Affordable Housing: Extend affordable housing outside areas of minority concentration with programs such as a Rural Development 515 housing complex, a Missouri Housing Development Commission LIHTC housing development, or a mixed income housing development.
2. Commemorate National Fair Housing Month. April is designated as Fair Housing Month to commemorate the Fair Housing Act being signed into law on April 11, 1968. Many grantees adopt and publish a Fair Housing Month proclamation to commemorate this event. You may also host an educational program and invite a HUD fair housing staff member to speak, or a local fair housing organization speaker.
3. Publicize Changes in the Fair Housing Law. Post and publish any revisions or changes to local, state, or federal Fair Housing ordinances, resolutions, regulations, or policies.

4. Post Fair Housing Posters. Display fair housing posters in public places throughout your community, such as at city hall, the county courthouse, public libraries, housing complexes, community centers, senior centers, religious facilities, lending institutions, etc.
5. Encourage Citizen Participation. Promote active citizen participation in community efforts to improve and make known fair housing policies.
6. Encourage & Promote Equal Housing Opportunities. Offer outreach, counseling, and referral services to aid LMI persons residing in areas of minority concentration or concentrated areas of poverty to find assisted and non-assisted housing outside those concentrated areas.
7. Support Habitat for Humanity's Housing Programs. Facilitate the development of a local Habitat for Humanity chapter in your jurisdiction, or support activities of an existing local Habitat chapter. A list of active chapters in Missouri can be accessed through the national HFH website at: <https://www.habitat.org/>
8. Promote Affordable Home Buying Programs & Lending Practices. Develop down payment assistance programs for LMI households. Partner with area lenders, realtors, religious organizations, and community organizations to promote various affordable housing programs.
9. Educate Housing Partners. Provide home buying, credit counseling, home maintenance, financial literacy, and budgeting classes with prospective homebuyers and renters. Educate members of housing-related industries, such as, real estate agents, mortgage lenders, home builders, and home insurance companies regarding fair housing rights, laws, and responsibilities.
10. Educate Community Organizations and Citizen Groups. Develop public information and educational programs to provide fair housing information to the community. Recipients can focus these programs on the following types of groups and organizations:
 - Citizen groups concerned with housing issues, such as, local or area fair housing groups, tenant associations, unions, voter leagues, etc.
 - Organizations representing specific population groups such as minorities, women, LGBT groups, disabled citizens, elderly citizens, families with children, and groups or classifications of citizens that historically are known to have suffered from discriminatory practices now and in the past.
 - Stakeholder groups affected by an identified impediment to fair housing choice, such as a disability, veterans, or familial status rights organization.

Methods which can be used to inform and involve the public in Fair Housing awareness efforts may include (but not be limited to) the following:

- Sponsoring Fair Housing educational forums.
 - Canvassing the community through a mail campaign, which could involve inserting a fair housing flyer or survey in local utility bills or tax statements
 - Placing a public service announcement on local radio and/or a community cable television access channel; PSAs are available from both the MCHR & HUD.
 - Sponsoring a Fair Housing poster or essay contest in local schools
 - Encourage local lending institutions, realtors, insurers, and other housing-related service providers to include the Fair Housing logo and policy statements in all advertising done through the internet or community information networks, local cable access channels, etc.
11. Survey the Community on Housing Concerns: Use local resources to assess public opinion about the status of fair housing in the community. Suggested contacts for this effort would include:

- Fair housing organizations
- Public/private community centers and social service facilities
- Civil rights advocacy organizations
- LGBTQ organizations
- Organizations representing minorities, women, senior citizens, persons with disabilities, and other classes of persons protected under the Fair Housing Act.

12. Partner with Fair Housing Organizations. Provide funding for local fair housing organizations and assist with their development.

13. Assemble an inventory of available land suitable for the development of affordable and assisted housing to market to affordable housing developers.

Additional Resource for posters, brochures, studies and other helpful information:

https://www.hud.gov/program_offices/fair_housing_equal_opportunity/marketing

National Fair Housing Alliance
1331 Pennsylvania Ave. NW
Washington, DC 20004
<https://nationalfairhousing.org/>
Phone: 202-898-1661

C. Grievance Process

Grantees must establish a local grievance process for aggrieved persons to file a discrimination complaint. Within the context of the Missouri CDBG program, a civil rights discrimination complaint may only be based on one of the protected classes of: race, national origin, religion, color, sex, age (for employment only), handicap/disability (for employment & housing), or familial status regarding the denial of program-related benefits, employment, contracting, or fair housing practices. If a complaint arises, it should first be processed at the local level through the grantee's adopted grievance process. A copy of the grievance should be sent to DED. DED will wait for the local process to be completed. If a complaint is appealed to DED, the complaint/grievance will be forwarded to HUD, where it will be formally processed. CDBG grantees, including counties, are to have local policies in place that provides a procedure for processing Fair Housing complaints, under its adopted Fair Housing Ordinance or Fair Housing Resolution.

In addition to filing a grievance with the grantee, an aggrieved complainant has the right to file their grievance directly with the Missouri Commission on Human Rights or with HUD. If it is an employment discrimination complaint based on age or disability, it may be filed with either the Missouri Commission on Human Rights or with the EEOC. The addresses and contact information for these offices are listed below.

Civil Rights complaints relevant to the Missouri CDBG Program must allege discrimination based on race, national origin, religion, color, sex, age (employment only), handicap, or familial status pertaining to program-related benefits, employment, contracting, or fair housing efforts.

- When a written complaint is received by a grantee, it may be resolved at the local government level under the adopted Fair Housing ordinance or resolution procedure; or the complainant may send it directly to DED, the Missouri Commission on Human Rights, or to HUD.

- All complaints received by DED will be referred to the grantee's designated local intake officer for processing and resolution. If the matter is not resolved at the local level, DED will refer the complaint to the Missouri Commission on Human Rights, or, to the appropriate HUD office:
- Community Development Block Grant Program

MO CDBG Program

Missouri Department of Economic Development
Harry S Truman Building
301 West High Street, Room 770
PO Box 118
Jefferson City, Missouri 65102
Telephone: (573) 751-3600; Fax: (573) 526-4157

Missouri Commission on Human Rights (MCHR)

P.O. Box 1129
3315 W. Truman Boulevard, Suite 212
Jefferson City, MO 65102-1129
Email: mchr@labor.mo.gov
Website: www.labor.mo.gov/mohumanrights
Phone: 573-751-3325
Fax: 573-526-5090
Toll Free Discrimination Complaint Hotline:
877-781-4236

Relay Missouri
Toll Free /Voice: 866-735-2466
TDD: 800-735-2966

MCHR Field Offices:

St. Louis: MCHR
111 North 7th Street, Suite 903
St. Louis, Missouri 63101-2100
Phone: 314-340-7590
FAX: 314-340-7238

Kansas City: MCHR
1410 Genessee, Suite 260
Kansas City, MO 64102
Fax: 816-889-3582

U.S. Equal Employment Opportunity Commission (EEOC) Missouri Offices:

(1) EEOC St. Louis District Office
Robert A. Young Federal Building
1222 Spruce Street, Room 8.100
St. Louis, Missouri 63103
(800) 669-4000

(2) EEOC Kansas City Area Office
Gateway Tower II
400 State Ave., Suite 905
Kansas City, KS 66101
(800) 669-4000

How to File a Housing Discrimination Complaint:

If you believe you have experienced (or are about to experience) housing discrimination, you should contact [HUD's Office of Fair Housing and Equal Opportunity](#) for help at (800) 669-9777. You may also download the [Apple App](#), [Android App](#), or [file a housing discrimination complaint online](#). HUD will thoroughly review your allegation to determine if the claims you raise are jurisdictional under the Fair Housing Act and the Equal Access Rule.

Additionally, if you have experienced (or are about to experience) housing discrimination in a HUD-funded program or when seeking a HUD-insured mortgage, you should [contact your local HUD office](#) for assistance with alleged violations of HUD program regulations.

SECTION 2: CDBG CONTRACTING OPPORTUNITIES

CDBG funded grantees must ensure that discrimination does not occur in the solicitation and award of contracts through the development of nondiscriminatory advertising and the direct solicitation of Minority Business Enterprise (MBE), Woman Business Enterprise (WBE), Section 3, and Disadvantaged Business Enterprise (DBE) contractors. Grantees must also include civil rights certifications and provisions in their contracts, and follow a procurement evaluation criteria to ensure free, fair, and open competition for all CDBG funded project contracts.

Grant recipients and contractors are required to make affirmative efforts to employ minorities, women, and Section 3 individuals for project related jobs. This is accomplished by the grantee advertising any project related job in local newspapers, periodicals, and with organizations that serve minority and women communities as part of their procurement process.

The Opportunity Portal helps match Section 3 Residents to jobs and training opportunities and Section 3 Businesses to contracting opportunities <https://hudapps.hud.gov/OpportunityPortal/>

The main source for searching for Section 3 businesses is the HUD Section 3 Business Registry. It may be found at: <https://portalapps.hud.gov/Sec3BusReg/BRegistry/SearchBusiness>

NOTE: The State's list of Disadvantage Businesses Enterprises (DBE) businesses may be used to supplement but not substitute for DED's Section 3 procurement solicitation requirements. The state's DBE list may be found on the Missouri Department of Transportation website at:

<https://www6.modot.mo.gov/MRCC/Home/PublicSearch>

Compliance with MBE, WBE, and DBE/Section 3 Solicitation Procurement Requirements

Project Related Employment: Grantees must follow equal opportunity and affirmative action guidelines when procuring contractors, and through their personnel office when hiring individual staff for your CDBG- funded project. For the latter, please refer to Section 4 Employment Opportunities in this chapter.

Direct Solicitation Lists for Contract Procurement: Develop a list of minority and female owned, and Section 3/DBE owned businesses that are to be notified of bid opportunities and to be directly solicited to bid on your CDBG project contracts. This requirement applies to both construction and professional services procurement. Below are sources to use to develop a list for direct solicitation of minority, women, and Section 3/DBE contractors:

- a) Missouri Office of Administration Office of Equal Opportunity: <https://oeo.mo.gov/> Toll Free (877)259-2963; 573/751-8130
- b) The main source for searching for Section 3 businesses is the HUD Section 3 Business Registry. It may be found at: <https://portalapps.hud.gov/Sec3BusReg/BRegistry/SearchBusiness>

- c) Local contractors that frequently bid on projects in your area should be encouraged to see if they qualify as a Section 3 business. Businesses and firms can self-certify on HUD's website <http://www.hud.gov/Sec3Biz>.
 - d) The State's list of Disadvantage Businesses Enterprises (DBE) businesses may be used to supplement but not substitute for DED's Section 3 procurement solicitation requirements. The state's DBE list may be found on the Missouri Department of Transportation website at: <https://www6.modot.mo.gov/MRCC/Home/PublicSearch>
 - e) Minority Contractors Association St. Louis, MO: www.mokanccac.org, (314)454-9675;
 - f) Minority Contractors Association Kansas City MO: minoritycontractors@mca-gkc.org, (816)924-4441
- Section 3 does differ from the Minority Business Enterprise/Women Business Enterprise programs. Section 3 is both race and gender neutral. The standards provided under this regulation are based on income-level and location. Section 3 regulations were designed to encourage recipients of HUD funding to direct employment, training, and contracting opportunities to low-income individuals, and the businesses that employ these persons within their community regardless of race and/or gender.
 - Minority Business Enterprise (MBE) means a business enterprise that is at least 51% owned and controlled by one or more minority or socially and economically disadvantaged persons. Such disadvantage may arise from cultural, racial, chronic economic circumstances or other similar causes.
 - Women's Business Enterprise (WBE) is an independent business concern that is at least 51% owned and controlled by one or more women who are U.S. citizens or Legal Resident Aliens; whose business formation and principal place of business are in the U.S. or its territories; and whose management and daily operation is controlled by a woman with industry expertise.
 - Section 3 standards are race and gender neutral. A minority and/or woman owned business enterprise must provide evidence that it meets at least one criterion of a Section 3 business concern outlined above in order to receive preference under Section 3. However, the Department anticipates that Section 3 will serve to support, and not impede, contract opportunities for minority business enterprises.
 - The MBE designation may provide preferences promoted by other statutes and regulations, such as goals for MBEs and other socially and economically disadvantaged businesses.
 - To learn more about the Minority Business Enterprise and Women Business Enterprise programs, please contact HUD's Office of Small and Disadvantaged Business Utilization at 202-708-1428, or visit their website, located at: https://www.hud.gov/program_offices/sdb.

Compliance with MBE, WBE, and DBE/Section 3 Solicitation Procurement Requirements

Notify MBE, WBE, and Section 3/DBE firms of Contract Opportunities: This can be done through direct solicitation of firms, informing MBE & WBE contractor organizations, advertising announcements in minority newspapers, and/or sending bid or RFP information directly to disadvantaged business (DBE) concerns. It is essential that all bid notices, inclusive of affirmative action efforts, be distributed in a timely fashion to all contractors that are directly solicited. Refer to the Procurement Chapter of this manual for the requirements regarding advertising and the direct solicitation of bids and RFPs for CDBG funded projects. Please refer to 2 CFR 200.321 Contracting with Small and Minority Firms, Women's Business Enterprise and Labor Surplus Area Firms, for guidance.

Publication Requirements - Section 3 and EO Certification and Provisions: Insert applicable Section 3/DBE and equal opportunity provisions and EO language on the face of the bid documents and RFPs (refer to the Contract Management

Chapter for the detailed provisions and language). For example, the cover of the bid document and any advertisement should read, “The City/County of (Name) Is An Equal Opportunity Employer and Encourages MBE, WBE, and DBE/Section 3 Contractors to Bid”

[Section 3 Bidder Intent to Comply Submission](#): Grant recipients shall require all covered bidders to submit their Section 3 bidder intent to comply for compliance with Section 3.

Reporting of MBE/WBE and Section 3 Compliance Efforts

To ensure accurate documentation on a timely basis, the Missouri CDBG program has developed a Contract and Subcontract Activity Report (CSAR) and Section 3 Report. These forms may be found on the DED website under CDBG Forms. Instructions for completing those reports are found at the end of each report form.

The following two report forms must be completed and **submitted upon project closeout unless otherwise stated to DED:**

- 1) Contract and Subcontract Activity Report (CSAR) – Submit at Project closeout to DED; and,
- 2) Section 3 Summary Report – Submit upon project closeout unless otherwise stated to DED.

Section 3 Compliance

Section 3 is a provision of the Housing and Urban Development Act of 1968. The purpose of Section 3 is to ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, State, and local laws and regulations, be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very low-income persons. Refer to 24 CFR 135 for the Section 3 regulations.

“Best efforts” and “greatest extent feasible” are statutory terms, used in the statute in different contexts. As such, HUD uses both terms to track compliance, and there are many ways to interpret the language. Traditionally, HUD has used the terms interchangeably, as referenced in the statute, and will continue to be consistent with the statutory language. See 12 U.S.C. 1701u(b)-(d). These terms are integral to the statutory intent and provide flexibility, rather than administrative burden, to grantees or recipients of HUD funding.

- HUD acknowledges that some perceive “best efforts” to be the more rigorous standard, while others perceive “greatest extent feasible” to be the more rigorous standard. HUD has determined not to define the difference between these two terms but rather to increase the emphasis on outcomes as a result of these efforts. A recipient’s reported results will be compared to the outcome metrics defined in the benchmark notice. HUD program staff will evaluate the level of effort expended by those recipients that fail to meet the benchmark safe harbor, and thus will ensure that the statutory terms are being properly enforced. HUD included a list of examples in the regulation at 24 CFR §§ 75.15 and 75.25, including engagement in outreach efforts to generate job applicants who are Targeted Section 3 workers, providing training or apprenticeship opportunities, and providing technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching).

Additional Section 3 resources

See these additional resources for further information and training:

- DED Section 3 website <https://ded2.mo.gov/cdbg/reporting/section-3>
- HUD Section 3 website https://www.hud.gov/program_offices/field_policy_mgt/section3
- HUD Section 3 Training Curriculum <https://www.hudexchange.info/trainings/section-3/>

Section 3 Compliance is applicable to a Grantee's Project when:

Section 3 projects are housing rehabilitation, housing construction, and other public construction projects assisted under HUD programs that provide housing and community development financial assistance when the total amount of assistance to the project exceeds a threshold of \$200,000. The threshold is \$100,000 where the assistance is from the Lead Hazard Control and Healthy Homes programs, as authorized by Sections 501 or 502 of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z–1 or 1701z–2), the Lead-Based Paint Poisoning Prevention Act (42 U.S.C 4801 et seq.,; and/or the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851 et seq.).

The project is the site or sites together with any building(s) and improvements located on the site(s) that are under common ownership, management, and financing. The requirements of Part 75 apply to an entire Section 3 project, regardless of whether the project is fully or partially assisted under HUD programs that provide housing and community development financial assistance.

A recipient of Section funding is considered to be any entity that receives directly from HUD public housing financial assistance or housing and community development assistance that funds Section 3 projects, including, but not limited to, any State, local government, instrumentality, PHA, or other public agency, public or private nonprofit organization. It does not include contractors or any intended beneficiary under the HUD program to which Section 3 applies, such as a homeowner or a Section 3 worker.

- Professional service contracts for non-construction services that require an advanced degree or professional licensing are not required to be reported as a part of total Section 3 labor hours. However, this exclusion does not cover all non-construction services.
- However, professional services staff labor hours are permitted to be reported and PHAs will be given credit for reporting opportunities created for professional services by including professional services labor hours in the numerator, and not in the denominator, of the reported outcome ratios. The reporting structure in the rule allows a recipient to count any work performed by a professional services Section 3 worker or Targeted Section 3 worker as Section 3 labor hours and as Targeted Section 3 labor hours (i.e., in the numerator of the calculation), even when the professional services as a whole are not counted in the baseline reporting (i.e., in the denominator of the calculation). The effect of this reporting structure is to give a recipient a bonus if they are able to report Section 3 hires in the professional services context.
- Section 3 is not an entitlement program; therefore, employment and contracts are not guaranteed. Low- and very low-income individuals and Section 3 business concerns must be able to demonstrate that they have the ability or capacity to perform the specific job or successfully complete the contract

that they are seeking.

- As provided in 2 CFR 200.318, contract awards shall only be made to responsible contractors possessing the ability to perform under the terms and conditions of the proposed contract. In order to meet the requirements of Section 3 and Federal and state procurement laws, recipient agencies must develop procedures that are consistent with all applicable regulations.

Certain recipient agencies (or sources of HUD financial assistance) are required to comply with Section 3. For public housing financial assistance, Public Housing Authorities (PHAs), regardless of size or number of public housing units, are required to comply with Section 3 and its reporting requirements. However, small PHAs (fewer than 250 units) are permitted to report qualitatively as permitted under 24 CFR § 75.15(d). Some examples of those qualitative efforts are listed in the answer to Question 15.

As previously stated, Section 3 also applies to projects with **more than \$200,000** in funding from housing and community development financial assistance programs. The following is a list of examples of such funds:

- Community Development Block Grant (CDBG)
- HOME Investment Partnership
- Housing Trust Fund (HTF)
- Neighborhood Stabilization Program Grants (NSP 1, 2 & 3)
- Housing Opportunities for Persons with AIDS (HOPWA)
- Emergency Solutions Grants (ESG)
- University Partnership Grants
- Economic Stimulus Funds
- 202/811 Grants
- Lead Hazard Control Grants (\$100,000 threshold; see Question 12, above, in this part I of these FAQs)
- Healthy Homes Production Grants (\$100,000 threshold; see Question 12, above, in this part I)
- Rental Assistance Demonstration (RAD) (see most recent RAD Notice, found through HUD's RAD website, www.hud.gov/rad/)

*Note: The requirements of Section 3 typically apply to recipients of HUD funds that will be used for housing construction, rehabilitation, or other public construction. Contact Section3@hud.gov to determine applicability to a particular project/activity.

Definitions

Section 3 Worker

- A Section 3 worker is any worker who currently fits, or when hired within the past five years fit, at least one of the following categories, as documented:
 - The worker's income for the previous or annualized calendar year is below the income limit established by HUD;
 - The worker is employed by a Section 3 business concern; or
 - The worker is a YouthBuild participant.

Targeted Section 3 Worker

- A Section 3 targeted worker for Public Housing Financial Assistance projects is a Section 3 worker who:
 - is employed by a Section 3 business concern; or
 - currently fits or when hired fit at least one of the following categories, as documented within the past five years:
 - A resident of public housing or Section 8-assisted housing;
 - A resident of other public housing projects or Section 8-assisted housing managed by the PHA that is providing the assistance; or
 - A YouthBuild participant.
- A Section 3 targeted worker for Housing and Community Development Financial Assistance projects is a Section 3 worker who:
 - is employed by a Section 3 business concern; or
 - currently fits or when hired fit at least one of the following categories, as documented within the past five years:
 - Living within the service area or the neighborhood of the project, as defined in 24 CFR § 75.5; or
 - A YouthBuild participant.

Section 3 Business Concern

- A Section 3 business concern is a business that meets at least one of the following criteria, documented within the last six-month period:
- At least 51 percent owned and controlled by low- or very low-income persons;

- Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers; or
- A business at least 51 percent owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.

Low-income and very low-income Limits

- Low- and very low-income limits are defined in Section 3(b) (2) of the Housing Act of 1937 and are determined annually by HUD. These limits are typically established at 80 percent and 50 percent of the area median individual income. HUD income limits may be obtained from:
<https://www.huduser.org/portal/datasets/il.html>.

Service Area

- “Service area” or the “neighborhood of the project” means an area within one mile of the Section 3 project or, if fewer than 5,000 people live within one mile of a Section 3 project, within a circle centered on the Section 3 project that is sufficient to encompass a population of 5,000 people according to the most recent U.S. Census.

YouthBuild

- YouthBuild is a community-based pre-apprenticeship program that provides job training and educational opportunities for at-risk youth ages 16-24 who have previously dropped out of high school.
- YouthBuild participants learn vocational skills in construction, as well as in other in-demand industries that include health care, information technology, and hospitality. Youth also provide community service through the required construction or rehabilitation of affordable housing for low-income or homeless families in their own neighborhoods.
- The Division of Youth Services within the Employment and Training Administration's Office of Workforce Investment at the U.S. Department of Labor administers the YouthBuild program. Each year, more than 6,000 youth participate in approximately 210 YouthBuild programs in more than 40 states. More information can be found here: <https://www.dol.gov/agencies/eta/youth/youthbuild>.

Section 3 Reporting

Section 3 has specific target goals. These include the following minimum Section 3 target goals:

- a. Your Section 3 reporting goals depend on the type of assistance you are receiving, whether public housing financial assistance or housing and community development financial assistance.
- b. For housing and community development financial assistance projects, the benchmark for Section 3 workers is set at *25 percent* or more of the total number of labor hours worked by all workers on a Section 3 project. The benchmark for Targeted Section 3 workers is set at *5 percent* or more of the total number of labor hours worked by all workers on a Section 3 project. This means that the *5 percent* is included as part of the *25 percent* threshold.

Most CDBG projects will fall under these Section 3 target goals.

- c. For public housing financial assistance, the benchmark for Section 3 workers is set at *25 percent* or more of the total number of labor hours worked by all workers employed with public housing financial assistance in the PHA's or other recipient's fiscal year. The benchmark for Targeted Section 3 workers is set at *5 percent* or more of the total number of labor hours worked by all workers employed with public housing financial assistance in the PHA's or other recipient's fiscal year. This means that the *5 percent* is included as part of the *25 percent* threshold.

Section 3 Worker Hours and Targeted Section Worker Hours are reported to DED by the following table.

	Labor Hours of Project	Calculated Percentage	Safe Harbor Benchmark Met Yes or NO
Total Labor Hours of Project			
Section 3 Target Worker Hours			
Section 3 Worker Hours			

NOTE: For those employers who do not track labor hours in detail through a time-and-attendance system, HUD does not require they acquire such a system. Instead, they may provide a good faith assessment of the labor hours for a full-or part-time employee.

NOTE: A PHA or recipient may report on Section 3 workers and Targeted Section 3 workers for five years from when their certification as a Section 3 worker or Targeted Section 3 worker is established.

When Target goals are Met:

- Recipients will be considered to have complied with Section 3 requirements, in the absence of evidence to the contrary, if they meet all benchmark goals and certify compliance with prioritization requirements found in 24 CFR § 75.9 or §75.19. No further reporting will be required. However, if subsequent HUD enforcement activities reveal that the recipient has failed to comply with the recipient responsibilities set forth at 24 CFR§75.13 or §75.23, this compliance determination may be rescinded.

When Target goals are not Met:

- If a recipient agency or contractor does not meet the benchmark requirements but can provide evidence that they have made a number of qualitative efforts to assist low- and very low-income persons with

employment and training opportunities, the recipient or contractor is considered to be in compliance with Section 3, absent evidence to the contrary (i.e., evidence or findings obtained from a Section 3 compliance review).

- An adequate amount of qualitative efforts must be completed to be considered in compliance. Documentation must be in the monitoring file supporting the qualitative efforts.

If reporting indicates that the agency has not met the Section 3 benchmarks, the agency must report in a method prescribed by HUD program offices on the qualitative nature of its activities and those its contractors and subcontractors pursued per 24 CFR § 75.15(b) and § 75.25(b).

Such qualitative efforts may, for example, include but are not limited to the following:

NOTE: The following qualitative efforts will be reported on directly to DED and HUD as required. There should be an **adequate** amount completed and documented.

- Engaged in outreach efforts to generate job applicants who are Targeted Section 3 workers.
- Provided training or apprenticeship opportunities.
- Provided technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching).
- Provided or connected Section 3 workers with assistance in seeking employment including: drafting resumes, preparing for interviews, and finding job opportunities connecting residents to job placement services.
- Held one or more job fairs.
- Provided or referred Section 3 workers to services supporting work readiness and retention (e.g., work readiness activities, interview clothing, test fees, transportation, and childcare).
- Provided assistance to apply for/or attend community college, a four-year educational institution, or vocational/technical training.
- Assisted Section 3 workers to obtain financial literacy training and/or coaching.
- Engaged in outreach efforts to identify and secure bids from Section 3 business concerns.
- Provided technical assistance to help Section 3 business concerns understand and bid on contracts.
- Divided contracts into smaller jobs to facilitate participation by Section 3 business concerns.
- Provided bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.
- Promoted use of business registries designed to create opportunities for disadvantaged and small businesses.
- Outreach, engagement, or referrals with the state one-stop system as defined in Section 121(e)(2) of the Workforce Innovation and Opportunity Act
- Promote the use of HUD's Section 3 Business Registry and HUD Opportunity Portal

Documentation Requirements

Document Section 3 and EO Compliance: Recordkeeping requirements for recipients are found at 24 CFR § 75.31. Recipients are required to maintain documentation to demonstrate compliance with the regulations and are responsible for requiring their contractors/subcontractors to maintain or provide any documentation that will assist recipients in demonstrating compliance, including documentation that shows hours worked by Section 3 workers, Targeted Section 3 workers, and any qualitative efforts to comply with Section 3. Examples of documentation can be found in 24 CFR §75.31. Maintain supporting documentation that reflects the recipient's Section 3 compliance activities, along with affirmative action and equal opportunity efforts in the areas of employment, program benefits, contracting, and housing activities. Maintain direct solicitation, advertisements, and procurement records.

- a. Contractor Compliance and Reporting: Obtain information from prime contractor regarding its Section 3 compliance goals at the beginning of the project. After the project's construction is completed, the grant administrator must obtain the Section 3 accomplishments from the prime contractor for Section 3 compliance. That final Section 3 information should be obtained prior to making the final payment to the contractor.

SECTION 3: Project Contract Reporting

NOTE: On and after November 30, 2020, Section 3 regulations codified at 24 CFR Part 135 (the old rule) have not applied and will not apply to new grants, commitments, contracts, or projects. Contracts executed or projects for which assistance or funds were committed prior to November 30, 2020 are still required to adhere to the requirements of the old rule. Recipients of such assistance or funds will still be expected to maintain records of Section 3 statutory, regulatory, and contractual compliance but will no longer be required to report Section 3 compliance to HUD in SPEARS.

- HUD does not require funding recipients to change or alter contracts that were in place prior to the new Section 3 requirements becoming effective on November 30, 2020.
- Projects for which assistance or funds are committed between November 30, 2020 and July 1, 2021 are subject to the new Section 3 regulations found in 24 CFR part 75, and HUD expects that funding recipients will begin following this final rule's requirements for new grants, commitments, and contracts. Recipients will be expected to maintain records of statutory, regulatory, and contractual compliance with Section 3 for these projects but will not be required to report to HUD on the requirements found in 24 CFR part 75.
- During the transition period between November 30, 2020 and July 1, 2021, recipients are expected to plan and revise processes, systems, and documents to comply with the new rule's requirements. During this time, funding recipients are still required to comply with Section 3's statutory requirements by ensuring that, to the greatest extent feasible, recipients continue to direct economic opportunities generated by certain HUD financial assistance to low- and very low-income persons and businesses that provide economic opportunities to low- and very low-income persons.
- Recipients and employers should use this time to update policies and procedures for tracking labor hours and other requirements to ensure compliance with the new rules for projects for which funds are committed on or after July 1, 2021.

Recipient Responsibilities

Recipients are required to ensure their own compliance and the compliance of their contractors/subcontractors with the Section 3 regulations, as outlined at 24 CFR part 75. These responsibilities include but are not limited to the following:

- Designing and implementing procedures to comply with the requirements of Section 3: Recipient agencies must take an active role in ensuring Section 3 compliance. The first step is implementing procedures to ensure that all parties, including residents, businesses, contractors, and subcontractors, comply with Section 3 and maintain records verifying that compliance.
- Facilitating the training and employment of Section 3 workers: The recipient agency must act as a facilitator, connecting Section 3 workers to training and employment opportunities.
- Facilitating the award of contracts to Section 3 business concerns: The recipient agency must also work to link developers and contractors with capable Section 3 business concerns. Additionally, recipient agencies, when necessary, may direct Section 3 business concerns to organizations that provide capacity-building training.
- Ensuring Contractor and Subcontractor Awareness of and Compliance with Section 3 Benchmarks and responsibilities: The recipient agency is responsible for ensuring that contractors and subcontractors are aware of, and in compliance with, Section 3 requirements.
- Ensuring Compliance and Meeting Numerical Benchmarks: Recipient agencies shall ensure compliance with Section 3 by assessing the hiring and subcontracting needs of contractors; regularly monitoring contractor compliance; assisting and actively cooperating with the Secretary of HUD in obtaining the compliance of contractors; penalizing non-compliance; providing incentives for good performance; and refraining from entering into contracts with any contractor that previously failed to comply with the requirements of Section 3.
- Reporting Requirements: Recipient agencies must document all actions taken to comply with the requirements of Section 3 and report these activities.

Recipients should have documentation of the following requirements in their file.

- Recipient Responsibilities include posting Section 3 contract opportunities at <https://hudapps.hud.gov/OpportunityPortal/> and documentation of posting.
- Recipients should also ensure Section 3 Posters with a designated Section 3 coordinator at Section 3 covered project work sites. Posters are available on the DED Section 3 website. <https://ded2.mo.gov/cdbg/reporting/section-3>
- Recipients should promote the use of HUD's Section 3 Business Registry and HUD Opportunity Portal. A poster is provided on the DED Section 3 website as a resource to use. <https://ded2.mo.gov/cdbg/reporting/section-3>
- Recipients should make sure their partners and contractors understand Section 3 requirements, as it is the recipient that is held accountable for meeting these requirements. Recipients should

take every opportunity throughout the contracting process to inform potential bidders and selected contractors of their Section 3 obligations. It is recommended that at a minimum, these requirements be reviewed at the following stages of the contracting processes and documented:

1. Bid solicitations and requests for proposals
2. Pre-bid meetings
3. Pre-construction conferences

Suggestions for Success

- In order to successfully target Section 3 workers and businesses for employment and contracting opportunities, recipients must establish and maintain an effective Section 3 program. HUD has found that hiring a Section 3 coordinator or assigning one individual the responsibility of coordinating all Section 3 related activities is instrumental in reaching Section 3's employment and contracting goals.
- It is recommended that recipient agencies establish procedures to certify Section 3 workers and Section 3 business concerns for employment and contracting opportunities. Thereafter, they should maintain a list of eligible workers and businesses by skill, capacity or interest and contact them on a periodic basis when employment and contracting opportunities are available. Refer to the Section 3 regulations at 24 CFR § 75.15(b) and § 75.25(b) for a listing of qualitative efforts.
- Start early in the project process to become in compliance with Section 3. Proper planning will ensure Section 3 requirements are met.

Certification Requirements

Note: Certification requirements and documentation of certification must also be present in a recipient's Section 3 file.

A prospective Section 3 worker or business concern can certify that they meet the eligibility requirements. The individual or business must contact the agency or developer from which they are seeking employment or contracting opportunities (e.g., the PHA, city, or local government). They should identify themselves as a Section 3 worker, Targeted Section 3 worker, or Section 3 business concern and provide whatever documentation that the recipient agency requires under their certification procedures. Prospective Section 3 workers and business concerns may self-certify that they meet the requirements as defined in the regulations. HUD recipients, contractors and subcontractors may also establish their own system to certify Section 3 workers and business concerns.

Section 3 Worker or Targeted Section 3 Worker

There are many ways that a worker can be certified as either a Section 3 Worker or Targeted Section 3 Worker under 24 CFR part 75:

For a worker to qualify as a *Section 3 worker*, one of the following must be maintained:

- (i) A worker's self-certification that their income is below the income limit from the prior calendar year;
- (ii) A worker's self-certification of participation in a means-tested program such as public housing or Section 8-assisted housing;
- (iii) Certification from a PHA, or the owner or property manager of project-based Section 8- assisted housing, or the administrator of tenant-based Section 8-assisted housing that the worker is a participant in one of their programs;
- (iv) An employer's certification that the worker's income from that employer is below the income limit when based on an employer's calculation of what the worker's wage rate would translate to if annualized on a full-time basis; or
- (v) An employer's certification that the worker is employed by a Section 3 business concern.

(2) For a worker to qualify as a *Targeted Section 3 worker*, one of the following must be maintained:

For Public Housing Financial Assistance projects:

- (i) A worker's self-certification of participation in public housing or Section 8-assisted housing programs;
- (ii) Certification from a PHA, or the owner or property manager of project-based Section 8- assisted housing, or the administrator of tenant-based Section 8-assisted housing that the worker is a participant in one of their programs;
- (iii) An employer's certification that the worker is employed by a Section 3 business concern; or
- (iv) A worker's certification that the worker is a YouthBuild participant.

For Housing and Community Development Financial Assistance projects:

- (i) An employer's confirmation that a worker's residence is within one mile of the work site or, if fewer than 5,000 people live within one mile of a work site, within a circle centered on the work site that is sufficient to encompass a population of 5,000 people according to the most recent U.S. Census;
- (ii) An employer's certification that the worker is employed by a Section 3 business concern; or
- (iii) A worker's self-certification that the worker is a YouthBuild participant.

Note: The documentation must be maintained for the time period required for record retentions in accordance with applicable program regulations or, in the absence of applicable program regulations, in accordance with 2 CFR § 200.334, Retention Requirements for Records (www.ecfr.gov/cgi-bin/retrieveECFR?n=se2.1.200_1334), which provides for retaining records for at least three years, as described in detail in that regulation..

A PHA or recipient may report on Section 3 workers and Targeted Section 3 workers for five years from when their certification as a Section 3 worker or Targeted Section 3 worker is established.

Section 3 Worker

HUD does not prescribe that any specific forms of evidence to establish Section 3 eligibility. Acceptable documentation includes, but is not limited to the following:

- Proof of residency in a public housing project; or
- Evidence of participation in the YouthBuild program.

Section 3 Business Concern

HUD does not prescribe that any specific forms of evidence be required to establish Section 3 eligibility. The business seeking the preference must be able to demonstrate that they meet one of the following criteria:

1. At least 51 percent owned and controlled by low- or very low-income persons;
2. Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers; or
3. A business at least 51 percent owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.

Public housing residents

Public housing residents are **not** considered Section 3 workers regardless of their income.

To qualify as a Section 3 Worker, an individual must meet one of the following criteria:

1. The worker's income for the previous or annualized calendar year is below the income limit established by HUD;
2. The worker is employed by a Section 3 business concern; or
3. The worker is a YouthBuild participant.

SECTION 4: EMPLOYMENT OPPORTUNITIES

Grantee Employment & Contracting Requirements:

- a) **Hiring Discrimination Prohibited:** Recipients of CDBG funds must not deny the opportunity for employment in any CDBG program or activity on the basis of race, color, religion, sex, disability, age, or national origin.
- b) **Employment Records:** Statistical data must be collected on the number and percentage by race and gender of the personnel in any department, office, or agency of the unit of local government using CDBG funds to employ staff. For example, if the grant is used to pay a portion of a bookkeeper's salary in the accounting department of the city, then employment information must be available from that department when it is requested for DED's reporting requirements.
- c) **Section 3 Employment Requirement:** The Section 3 regulation requires that grantees, "to the maximum extent possible," must ensure that lower income (LMI) residents in their community receive any employment or training provided by a CDBG project. Review Section 3 Objectives in this chapter under the topic, "Contracting Opportunities." Section 3 residents are residents whose household income meets the LMI income limits, or who meet the regulatory definition of a Section 3 business concern.

SECTION 5: LGBTQ Equal Access Rule for HUD Programs

Part of HUD's mission is to give every person and family access to a safe, secure and affordable home including ensuring fair and equal access to housing for all Americans, regardless of their sexual orientation, gender identity or marital status. HUD is working to promote, strengthen and create opportunities for LGBTQ inclusion in its federal programs and regulations.

This rule is made applicable to the HUD CDBG Program at 24 CFR 570.3 and 24 CFR 5.403 under the definition of "family." In both regulations, the definition of "family includes, but is not limited to, the following, regardless of actual or perceived sexual orientation, gender identity, or marital status..." Under this equal access rule, HUD makes clear that CDBG funded projects must be administered in a non-discriminatory manner with respect to providing the project's services or assistance to all eligible beneficiaries, inclusive of LGBT individuals and families.

On February 3, 2012, HUD issued the first of three rules focusing on ensuring fair and equal access to housing for all Americans, regardless of their sexual orientation, gender identity, nonconformance with gender stereotypes, or marital status. The first rule, "[Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity](#)" required that a determination of eligibility for housing that is assisted by HUD or subject to a mortgage insured by the Federal Housing Administration shall be made in accordance with the eligibility requirements provided for such program by HUD, and such housing shall be made available without regard to actual or perceived sexual orientation, gender identity, or marital status. The rule also included a definition for sexual orientation and gender identity, and expanded the definition of family in most of HUD's programs.

Building on that rule, on September 21, 2016 HUD issued a final rule, "Equal Access in Accordance with an Individual's Gender Identity in Community Planning and Development Programs Rule" ([Gender Identity Rule](#)). The Gender Identity Rule ensures that all individuals have equal access to many of the Department's core shelter programs in accordance with their gender identity. Following what had previously been a practice encouraged by HUD, providers that operate single-sex projects using funds awarded through the Office of Community Planning and Development (CPD) are required by the rule to provide all individuals, including transgender individuals and other individuals who do not identify with the sex they were assigned at birth, with access to programs, benefits, services, and accommodations in accordance with their gender identity without being subjected to intrusive questioning or being asked to provide documentation. HUD's rule will require a recipient, sub recipient, or provider to establish, amend, or maintain program admissions, occupancy, and operating policies and procedures (including policies and procedures to protect individuals' privacy and security), so that equal access is provided to individuals based on their gender identity. This requirement includes tenant selection and admission preferences. The rule also updates the definition for sexual orientation and gender identity.

Lastly, on November 17, 2016 HUD issued a third final rule, "[Equal Access to Housing in HUD's Native American and Native Hawaiian Programs-Regardless of Sexual Orientation or Gender Identity](#)." This rule applied the same equal access provisions from the first rule to HUD's Native American and Native Hawaiian programs. Therefore, those programs are also required to make a determination of eligibility for housing that is assisted by HUD or subject to a mortgage insured by HUD in accordance with the eligibility requirements provided for such program by HUD, and such housing shall be made available without regard to actual or perceived sexual orientation, gender identity, or marital status.

Note: The Notice on Equal Access should be posted at all HUD CDBG covered housing, community facilities and shelters. This form is found on the DED website under Civil Rights Forms.

SECTION 6: Limited English Proficiency (LEP) - Access to Grantee's CDBG Program:

On August 1, 2000, the President issued Executive Order 13166. The purpose of the executive order was to ensure improved access to all federal programs for all individuals who, as a result of their "national origin," are limited in their English proficiency.

Grantees/recipients are prohibited from practicing discriminating on the basis of age, race, color, national origin, religion, sex, handicap, or familial status, when implementing their CDBG-funded project. This prohibition applies directly to the grantees, sub grantees, and to all project contractors or subcontractors. The project's beneficiaries must be identified and demographic data compiled for the grantee's project file to meet applicable HUD reporting requirements and to ensure that all potential project beneficiaries are treated equally during the course of the grantee's CDBG-funded project.

Project beneficiaries may not be discriminated against on either an individual or a group basis if they fall within one of the above protected groups/classes. In general, no one should be mistreated during the implementation of a CDBG funded project. Discrimination may not take place on either an individual or group basis, whether the beneficiary is a direct or indirect beneficiary of the project's activities. The grantee should have a process and a written grievance procedure in place to address any concerns from a potential project beneficiary or an actual project beneficiary.

In regard to project beneficiaries or potential project beneficiaries that have a limited English proficiency (LEP), a grantee is required to take steps to ensure full and meaningful access to the activities or services of the project. A grantee may take a number of steps to provide meaningful access for their CDBG- funded project. At the minimum, a grantee should provide a translator that speaks the language of the national origin of that individual or that family to explain the project and the steps they need to take to participate in the project.

If the LEP beneficiaries are significant in number of one or more national origin groups, e.g., 50 or more, the grantee should develop an implementation plan. The plan should involve the following 3 steps:

1. Conduct a Four-Factor Analysis of the population of that national origin group;
2. Develop a written Language Assistance Plan; and,
3. Provide appropriate language assistance.

Four-Factor Analysis:

1. Number: Determine the number of LEP persons in the population or project area to be served.
2. Frequency: with which LEP persons come into contact with the program, project, or service.
3. Importance: of the CDBG-funded service, project, information, program, or activity.

Resources: organize the available financial and staff resources to provide assistance to the LEP persons to be served by the project.

When a determination is made that a plan should be implemented, the grantee should:

1. Assess the scope of service to be provided to the LEP persons or community by gathering population data on the national origin group to be served.
2. Work with local organizations of that LEP national origin group.
3. Find services that provide interpretation and translation. Adopt language assistance measures.
4. Grantee must assign LEP assistance responsibilities to staff or to their grant administrator.

Safe Harbor to Comply with LEP Requirements:

1. Written Translation in each language that constitutes 5% or 1000 persons, whichever is less, of the population of eligible persons to be served or likely to be encountered for the CDBG-funded project; or
2. If there are fewer than 50 persons in a language group that reaches the 5% trigger, then the grantee must provide written notice of the right to receive competent oral interpretation of the written materials;
3. There is **NO** Safe Harbor for oral interpretation. Reasonable availability is expected based on the four-factor analysis.

In conclusion, at the minimum, a grantee must develop access for interpretation/translation services for LEP persons, individuals and families to be served by the grantee's CDBG funded project in the language of their national origin.

These page provides documents created by HUD program offices printed in English and other languages for LEP assistance:

https://www.hud.gov/program_offices/fair_housing_equal_opportunity/marketing

https://www.hud.gov/program_offices/fair_housing_equal_opportunity/limited_english_proficiency_0

NOTE: A sample four factor analysis is located on our DED website under civil rights forms.

SECTION 7: SECTION 504 PROGRAM DISABILITY/ACCESSIBILITY COMPLIANCE

Section 504 Rehabilitation Act Compliance

Section 504 prohibits discrimination on the basis of disability in any program or activity that receives federal financial assistance. This means, for example, that persons with disabilities may not be denied the opportunity to participate in a program or activity because of their disability; may not be required to accept a different kind or lesser program or service than what is provided to others without disabilities, and may not be required to participate in separate programs and services from those available to persons without disabilities, even if separate programs and services exist. In general, with respect to housing, a housing provider may not deny or refuse to sell or rent to a person with a disability, and may not impose application or qualification criteria, rental fees or sales prices, and rental or sales terms or conditions that are different than those required of or provided to persons without disabilities. Housing providers may not require persons with disabilities to live only on certain floors, or in one section of the housing. Housing providers may not refuse to make repairs, and may not limit or deny someone with a disability access to recreational and other public and common use facilities, parking privileges, cleaning or janitorial services, or any services which are made available to other residents without disabilities. Additionally, persons with disabilities may not be denied the opportunity to serve on planning or advisory boards because of their disabilities.

Missouri CDBG grantees are required by Federal law and program regulations to conduct a self-evaluation of accessibility to determine if their current programs, services, policies, and practices meet the requirements of Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act (ADA). This means that a CDBG program must be accessible to a person with any type of a disability accepted under the Act. A grantee must have a designated Section 504/ADA Coordinator.

CDBG MODEL SECTION 504 SELF-EVALUATION

FOR SECTION 504/ADA ACCESSIBILITY & DISABILITY COMPLIANCE

The following technical assistance questionnaire is separated into three sections.

- Grantees who have less than 15 full time employees need only complete Part I;
- Grantees that employ 15 or more full time employees are required to complete Part I, Part II, and Part III; and,
- **All grantees** are required to complete the relevant portions of this questionnaire and maintain this information in the Citizen Participation file for public review and on-site monitoring by CDBG field staff.

How many full time employees does the grantee have? _____

Part I (To be completed by all grantees)

1. Briefly, describe your community's programs and services, including their purpose, scope, activities, and participants. The following includes examples of public services you might provide that would be covered under the Act:
 - a. Water and sewer service, or other municipal utilities such as electricity, natural gas, etc.
 - b. Parks and Recreation programs
 - c. Transportation infrastructure (streets, sidewalks, public transit, etc.)
- d. Provide a brief description of the various policies that direct the operation of the programs and services you listed. Identify any current exceptions, special provisions, or separate programs designed for persons with disabilities.
- e. Identify any program qualifications, eligibility, admission requirements, or licensing standards that an individual must meet that might negatively affect individuals with disabilities. For each item answered that appears to have a negative effect, include a description of action(s) planned to reduce or eliminate the disparate impact.
 - a. Do you currently provide a qualified disabled individual the opportunity to participate in, or benefit from, the aid, benefit, or service you provide? Examples might include accessibility to the spectator seating area at the city's baseball field, or the rodeo arena at the county fairgrounds.
 - b. Do you provide opportunities for participation or benefit to the disabled, equal to opportunities afforded the population at large?
 - c. Do you avoid providing different or separate aids, benefits, or services to a qualified individual with a disability unless proven necessary to make them as effective as the aids, benefits, or services provided to others?
 - d. Do you exercise due diligence to avoid assisting or contracting with any persons or entities that are known to discriminate based on disability?
 - e. Do you allow qualified disabled individuals a full opportunity to participate in all local policy planning or advisory boards? This includes providing reasonable accommodations in the scheduling of time and/or location of meetings, use of auxiliary aids including guide dogs, etc.
- f. In the area of employment, describe your policies, practices, or procedures followed to ensure non-discrimination based on disability in:
 - a. Public advertising of vacant positions and other job opportunities
 - b. Processing and review of applications
 - c. Testing and minimum requirements as a condition of employment

- d. Interviewing, including responding to requests for accommodation and use of nondiscriminatory questions
 - e. Promotion/demotion, layoff/reinstatement, or transfer, including changes in compensation resulting from these actions
 - f. Job assignments/classifications and nondiscriminatory treatment by supervisory personnel
 - g. Access to benefits, including policies on use of vacation and sick leave, unpaid leave of absence, and compensatory time. Also include opportunities for training, attendance at conferences, or other supported activities, including recreational or social programs, health and insurance benefits, etc.
 - h. Process for considering a request for a reasonable accommodation on the job, including method of determining whether an individual with a disability is capable of performing the essential functions of a particular job with or without a reasonable accommodation
- g. To insure that your communication with disabled applicants, participants, and members of the public are as effective as communications with non-disabled individuals, the grantee should address the following:
- a. If any written materials are produced on a program or service, indicate whether the following alternative formats are provided:

1. Audio tape	<input type="checkbox"/> Yes	<input type="checkbox"/> No
2. Braille	<input type="checkbox"/> Yes	<input type="checkbox"/> No
3. Reader	<input type="checkbox"/> Yes	<input type="checkbox"/> No
4. Aide	<input type="checkbox"/> Yes	<input type="checkbox"/> No
5. Mailed to home	<input type="checkbox"/> Yes	<input type="checkbox"/> No
6. Large print format	<input type="checkbox"/> Yes	<input type="checkbox"/> No
7. Interpreter	<input type="checkbox"/> Yes	<input type="checkbox"/> No
8. Other assistance	<input type="checkbox"/> Yes	<input type="checkbox"/> No
 - b. How would a disabled person learn about these auxiliary aids and services, and how could they request such assistance from you?
 - c. How will you ensure that meetings, hearings, and conferences are accessible for individuals with communication disabilities?
 - d. Do you currently offer TDD (telecommunication device for the disabled) access within your communications system?
 - e. Is 911 or E-911 emergency service offered within your jurisdiction? If so, is there a TDD connected to your system?
 - f. Do you have a toll-free phone number to access services and programs? If so, is it usable by persons with hearing impairments?
 - g. Do you have any public telephones located within your facilities? If so, is at least one phone hearing aid compatible?
 - h. If you determine that equally effective communication cannot be provided, you must include a statement in your self-evaluation explaining why the service, program, or activity would be fundamentally altered or result in undue financial and administrative burdens. You must also include a description of alternative actions that will be taken to provide the benefits or services to the maximum extent possible.

Part II (To be completed by grantees with 15 or more employees)

1. Do you have a policy regarding non-discrimination on the basis of disability that is in compliance with CDBG requirements? ☐ Yes ☐ No

If you answered No to this question, you may contact the CDBG office for a sample policy and initial notice. If you answered Yes to this question, have you published a notice regarding this policy? (Please include the publication date.)

- h. Is a copy included in the appropriate project files with your self-evaluation and other related documentation? ☐ Yes ☐ No
- i. Does your Notice of Nondiscrimination include the following:
- a. Contact information for your 504/ADA coordinator ☐ Yes ☐ No
- b. How to request auxiliary aids or other services ☐ Yes ☐ No
- c. That alternative formats are available ☐ Yes ☐ No
- d. That a complaint grievance procedure has been adopted ☐ Yes ☐ No
- j. Do you have a grievance procedure? ☐ Yes ☐ No

If you answered No, then you must adopt one for successful completion of this project. You may contact the CDBG office for a sample copy.

If you answered Yes, does it include the following?

- a. A statement allowing an individual to submit a grievance in alternative formats ☐ Yes ☐ No
- b. A time limit for filing a grievance procedure ☐ Yes ☐ No
- c. Information on how to also file a complaint through appropriate State or Federal agencies ☐ Yes ☐ No

Part III Section 504 Accessibility Transition Plan (to be completed by grantees with 15 or more employees)

Please complete the attached Section 504 Transition Plan Outline for **EACH** publicly owned or publicly leased facility in your jurisdiction.

I have reviewed the above self-evaluation and believe it to be accurate as of this date.

Signature, Chief Elected Official

Date

SECTION 504 ACCESSIBILITY TRANSITION PLAN

- Complete a Plan page for each publicly owned or publicly leased facility.

Date: _____

Name of person completing this form: _____

Title: _____

Phone Number: _____

E-Mail Address: _____

Name and address of facility:

Necessary structural changes (if needed):

Type of action to be taken:

Person responsible for overseeing action:

Projected start date for action:

Projected completion date for action:

Projected cost for completing project:

Alternative Accessibility Standard Allowed Under Section 504 of the Rehabilitation Act of 1973

On May 27, 2014, HUD announced an alternative accessibility standard to the Section 504 accessibility standard. It announced that developers may use the American with Disabilities Act (ADA) 2010 Standards for accessible design as an alternative to the Uniform Federal Accessibility Standards (UFAS) when undertaking new construction or alterations to existing structures on or after May 23, 2014, except for specific design provisions where the UFAS standard affords greater accessibility.

Under Section 504, HUD requires that its programs or activities that are paid for with HUD funds be readily accessible to and usable by persons with disabilities. Section 504 prohibits discrimination on the basis of disability in any program or activity that receives Federal financial assistance from the Department. Section 504 specifically prohibits the denial of benefits of, exclusion from participation in, or other discrimination against qualified individuals with disabilities in Federally assisted programs or activities because a grantee's facilities are inaccessible to or unusable by individuals with disabilities. The regulation requires that the design, construction, and alteration of projects meet physical accessibility requirements.

Prior to May 27, 2014, this meant compliance with the UFAS accessibility standards when using HUD funds. Now, it means that the 2010 ADA Standards may be used as an alternative, except where the UFAS standards provides for greater accessibility.

For more information go to: www.hud.gov

SECTION 504/ADA (SAMPLE) GRIEVANCE PROCEDURE

The *City/County* of _____ has adopted an internal grievance procedure providing for prompt and equitable resolution of complaints alleging any action prohibited by the Americans With Disabilities Act (ADA) and implementing Section 504 of the Rehabilitation Act of 1973 as amended (29 U.S.C. 794). Section 504 states, in part, that "no otherwise qualified individual with a disability.....shall, solely by reason of her or his disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance."

1. Complaints should be addressed to _____, who has been designated by the *City/County* to coordinate Section 504/ADA compliance efforts. Complaints should be filed in writing or verbally, contain the name and address of the person filing it, and briefly describe the alleged violation of the regulations.
2. A complaint should be filled within 10 days after the complainant becomes aware of the alleged violation. (Processing allegations of discrimination that occurred before this grievance procedure was in place will be considered on a case-by-case basis.)
3. An investigation, as may be appropriate, will follow a filing of a complaint. The Section 504/ADA Coordinator will be in charge of the investigation. These rules contemplate informal but thorough investigations that afford all interested persons and their representatives an opportunity to submit evidence relevant to a complaint.
4. A written determination as to the validity of the complaint and a description of the resolution, if any, will be issued by the Section 504/ADA Coordinator and a copy forwarded to the complainant no later than 30 days after its filing.
5. The Section 504/ADA Coordinator will maintain the files and records of the *City/County* relating to the complaints filed.

6. The complainant can request a reconsideration of the case in instances where he/she is dissatisfied with the resolution. The request for reconsideration should be made within 10 days to the *Mayor/Presiding Commissioner*.
7. Using the grievance procedure is not a prerequisite to the pursuit of other remedies, including the filing of a Section 504 or ADA-related complaint with the responsible Federal department or agency.
8. These rules will be construed to protect the substantive rights of interested persons, meet appropriate due process standards, and assure that the *City/County* complies with the ADA, Section 504 and all implementing regulations.

This procedure was adopted by the *City/County* of _____ on the _____ day of _____, 200__.

Mayor/Presiding Commissioner

Attest

SUMMARY OF PROGRAM REQUIREMENTS

The following actions must be taken by all grantees, including counties, in the area of civil rights, fair housing, and equal opportunity:

1. Fair Housing Ordinance: Develop and enact a local fair housing ordinance that is substantially equivalent to current Federal fair housing law and provides an effective enforcement mechanism to which local resources are committed. DED has a model ordinance on our website for your use.
2. Excessive Force Prohibition Ordinance: Develop and enact local laws, or guarantee enforcement of existing policies, prohibiting the use of excessive force by law enforcement personnel, within the grantee's jurisdiction, against non-violent civil rights demonstrations. This policy should also include a prohibition against the physical barring of the entrance or exit to a facility or location that is the subject of such demonstration.
3. Annual Official Action to Address an Impediment: Plan and implement an official action on an annual basis, by the annual date of funding approval, to address one of the states identified impediment to fair housing choice within the grantee's jurisdiction.
4. Annual Official Action to Affirmatively Further Fair Housing: Plan and implement an official action on an annual basis, by the annual date of funding approval, to affirmatively further fair housing within the grantee's jurisdiction.
5. Section 504 Compliance: Applies to CDBG program accessibility, and project employment and contracting. Complete the Section 504 self-evaluation in this chapter. If the grantee has more than 15 employees, complete the Accessibility Transition Plan. Take the necessary local action(s) to create full accessibility to all publicly owned or leased facilities of the grantee. Reduce or eliminate any disparate impact to disabled citizens and meet the requirements of the ADA Act.
6. LGBTQ Equal Access Rule for HUD Program: Ensure compliance with HUD's equal access rule.
7. Limited English Proficiency Access to CDBG Program & Services: When implementing grantee's CDBG project, make translation services available to provide access to grantee's LEP residents.
8. SECTION 3 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968, as amended, 12 U.S.C. 1701u: The purpose of Section 3 is to ensure that economic opportunities, most importantly employment, generated by certain HUD financial assistance shall be directed to low- and very low-income persons, particularly those who are recipients of government assistance.

DED staff are able to provide sample ordinances/resolutions and technical assistance materials that can be used as a guide in developing and implementing appropriate local policies for housing or residents of the community in which the Federal assistance is spent.

DED MONITORING

The DED staff will monitor for program compliance through site visits reviews to the project. Your DED field representative will use the Equal Opportunity/Civil Rights monitoring checklist, in the Program Administration Chapter of the CDBG Administrative Manual, to review grantee compliance.

Please have the following records in your project files:

- Grantee's annual official actions taken to address/reduce an impediments to fair housing choice
- Grantee's annual official actions taken to affirmatively further fair housing
- Provide list of MBE, WBE, and Section 3/DBE firms directly solicited to bid for construction and professional service contracts
- Equal opportunity statements on construction bid(s), RFP/RFQs, and related advertising
- Documentation for Section 3 Requirements (Discussed in detail in the Section 3 portion)
- Contractor & Subcontractor Activity Report (C&SAR) and Section 3 Reporting
- Limited English Proficiency (LEP) Access – provide contact information for area translator service.
- Documentation for The Notice on Equal Access if required should be in the file.

****CIVIL RIGHTS HELPFUL HINTS****

- ❖ Develop a list of MBE, WBE, & DBE/Section 3 firms to directly solicit for the project's construction bids and professional services proposals/RFPs & RFQs. Document certification of these businesses and length of time of certifications. Certifications usually will need to be renewed and can no longer be approved firms if they don't renew certifications.
- ❖ Make sure construction contractors complete the Section 3 bid documents including the Section Intent to Comply when completing bid forms.
- ❖ Grant recipients must start early in the project to become successful with Section 3 Compliance.
- ❖ Use the Section 3 checklist to ensure all requirements are met.
- ❖ Use the DED Section 3 website <https://ded2.mo.gov/cdbg/reporting/section-3> & HUD Section 3 website https://www.hud.gov/program_offices/field_policy_mgt/section3 for additional resources.
- ❖ Submit Contractor and Subcontractor Activity Report and Section 3 report with the project's close-out report unless otherwise stated
- ❖ Include civil rights certifications in all project contracts; in both construction and professional services contracts
- ❖ An activity to **affirmatively further fair housing** is not the same as an action intended to **reduce impediments to fair housing choice**. Therefore a grantee must do one official actions each year that their grant is open of both types of fair housing actions
- ❖ Grantees may use Missouri Commission on Human Rights Fair Housing website for examples of annual official actions to affirmatively further Fair Housing
- ❖ Comply with the Limited English Proficiency Requirements and Equal Access Requirements, when applicable to your project.
- ❖ Document all direct and indirect project beneficiaries on the Close-out Report forms and Quarterly Report forms.

NOTE:

- HUD notified state CDBG programs to follow the Analysis of Impediments to Fair Housing Choice; instead of the Fair Housing Assessment.
- DED will notify grantees and administrators of the new requirements after they are issued by HUD.
- Notify DED of any project related discrimination complaints (if any) and their resolution

CIVIL RIGHTS LAWS, EXECUTIVE ORDERS, AND REGULATIONS

Civil Rights Laws & Executive Orders Applicable to the CDBG Program:

CDBG grantees must assure that all project activities will be administered in compliance with civil rights laws and regulations. The following are summaries of those parts of the civil rights laws, regulations, and executive orders that are applicable to CDBG funded projects:

1. Fair Housing Act – Title VIII of the Civil Rights Act of 1968, as amended. Prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing related transactions, based on race, color, national origin, religion, sex, disability, and familial status, including children, under the age of 18 living with parents, legal custodians, pregnant women, and people securing custody of children under the age of 18.
2. Sections 104(b)(2) and 106(d)(5)(B) of Title I of the Housing and Community Development Act of 1974, as amended – provides that CDBG funds may not be distributed to a grantee, local unit of government, until they certify that it will conduct and administer its program in conformity with the Civil Rights Act of 1964 and the Fair Housing Act, and that it will affirmatively further fair housing.
3. Executive Order 12892 – requires federal agencies to affirmatively further fair housing in their programs and activities, and provides that the Secretary of HUD will be responsible for coordinating the effort.
4. Title VI of the Civil Rights Act of 1964, as amended – Prohibits discrimination on the basis of race, color, or national origin in programs and activities receiving federal financial assistance, here CDBG funds.
5. Section 519 of Public Law 101 - 144 (1990 HUD Appropriations Act) requires each unit of local government that receives Title I funds to adopt and enforce a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations.
6. Section 906 of the Cranston-Gonzales National Affordable Housing Act, as amended by subsection 104(1) of the Housing and Community Development Act of 1974 – no CDBG funds may be obligated or expended to any unit of general local government that fails to adopt and enforce a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations or fails to adopt and enforce a similar policy of applicable state and local laws against physically barring entrances to or exits from a facility or location which is the subject of such non-violent civil rights demonstration within its jurisdiction.
7. Section 109 of Title I of the Housing and Community Development Act of 1974 – Prohibits discrimination on the basis of race, color, national origin, sex, or religion in programs and activities receiving financial assistance under Title I of the Housing and Community Development Act of 1974. Here, a grantee's receipt of CDBG program funds.
8. Section 503 of the Rehabilitation Act of 1973, as amended – provides for nondiscrimination in contractor employment. All recipients of federal funds must certify Affirmative Action for handicapped/(disabled) workers for all project contracts and include the following certifications:
 - a. The contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified. The contractor agrees to take affirmative action steps to employ, advance in employment, and otherwise treat qualified handicapped individuals without discrimination based upon

their physical or mental handicap in all employment practices, such as employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

- b. The contractor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.
 - c. In the event of the contractor's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor pursuant to the Act.
 - d. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Director, provided by or through the contracting officer. Such notices shall state the contractor's obligation under the law to take affirmative action steps to employ and advance in employment qualified handicapped employees and applicants for employment and the rights of applicants and employees.
 - e. The contractor will notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding that the contractor is bound by the terms of Section 503 of the Rehabilitation Act of 1973 and is committed to take affirmative action steps to employ and advance in employment physically and mentally handicapped individuals.
 - d. The contractor will include the provisions of this clause in every subcontract or purchase order of \$2,500 or more unless exempted by rules, regulations, or orders of the Secretary issued pursuant to Section 503 of the Act, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontractor or purchase order as the Director of the Office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.
9. Section 504 of the Rehabilitation Act of 1973 – Prohibits discrimination based on disability in any program receiving federal financial assistance. Here, a grantee's receipt of CDBG funds.
10. Title II of the Americans with Disabilities Act of 1990 – Prohibits discrimination based on disability in programs, services, and activities provided or made available by public entities. HUD enforces Title II when it relates to state and local public housing assistance and housing referrals.
11. Architectural Barriers Act of 1968 - The Act requires that buildings and facilities designed, constructed, altered, or leased with certain federal funds after September 1969 must be accessible to and useable by handicapped/disabled persons.
12. Age Discrimination Act of 1975 – Prohibits discrimination on the basis of age in programs or activities receiving federal financial assistance.
13. Title IX of the Education Amendments Act of 1972 – Prohibits discrimination on the basis of sex in education programs or activities that receive federal financial assistance.
14. Executive Order 11246, as amended - Bars discrimination in all phases of federal employment because of race, color, religion, sex, or national origin during the performance of a federal or federally assisted construction contract.

15. Executive Order 12898 – Requires that each federal agency conduct its program, policies, and activities that substantially affect human health or the environment in a manner that does not exclude persons based on race, color, or national origin.
16. Executive Order 13166 – Eliminates, to the extent possible, limited English proficiency as a barrier to full and meaningful participation by beneficiaries in all federally-assisted and federally conducted programs and activities.
17. Executive Order 11063, as amended – Directs all departments and agencies to take all action necessary and appropriate to prevent discrimination in housing and related facilities owned or operated by the Federal Government; or provided with Federal financial assistance; or provided with insured or guaranteed federal loans; or eliminate discriminatory lending practices with respect to such residential property and related facilities, including land to be developed for residential use, insofar as such practices relate to loans insured or guaranteed by the Federal Government.
18. The Vietnam Era Veterans' Readjustment Act of 1974 (Revised Jobs for Veterans Act of 2002): This Act was passed to ensure equal employment opportunity for qualified disabled veterans and veterans of the Vietnam War. Affirmative Action is required in the hiring and promotion of veterans.
19. SECTION 3 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968, as amended, 12 U.S.C. 1701u.
 - a. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u ("Section 3"), and the implementing regulations in 24 CFR part 75.
 - b. The purpose of Section 3 is to ensure that economic opportunities, most importantly employment, generated by certain HUD financial assistance shall be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing or residents of the community in which the Federal assistance is spent.
 - c. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 75, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 75 regulations.
 - d. Contractors agree to include Section 3 compliance provisions as set forth in (1) through (4) herein in every subcontract subject to compliance with regulations in 24 CFR part 75.

